

Miscellaneous Revenue and Purchases			
Revenue Description	Taxable Yes or No	Tax Type	Additional Comments
Gift Shop:			
1. Retail Video Rental	Yes	Sales	Rental of tangible personal property is taxable. Rule 3.294(b)
2. Retail Food Sales	Yes	Sales	Collect tax on the sale of food ready for immediate consumption. Rule 3.293(b)
3. Retail Candy	Yes	Sales	Candy sales are taxable. Rule 3.293(b)
4. Retail Beer/Wine Sales	Yes	Sales	The gift shop must have the appropriate permit from the Texas Alcoholic Beverage Commission (TABC).
5. Retail Clothing	Yes	Sales	Sale of tangible personal property.
6. Retail Non-Food Sales	Yes	Sales	Sale of tangible personal property.
7. Newspapers	No	Sales	Newspapers with an average sales price per copy over a 30-day period that does not exceed \$1.50 are exempt (average price of \$.75 until September 1, 2003). Rule 3.299(a)
8. Periodicals	Yes	Sales	Sales of magazines, news journals, and other periodicals that do not meet the definition of an exempt newspaper are taxable. Rule 3.299(b)
Miscellaneous Sales			
9. Telephone Commissions received from Pay Phones	No*	Sales	Commissions paid to the hotel are not taxable. *If the hotel owns the pay phones, then the receipts are subject to sales tax. Rule 3.344(b)
10. Prepaid Telephone Cards	Yes	Sales	The sale of a prepaid telephone card is the sale of tangible personal property, effective 09/01/1997, unless sold from a vending machine for a \$1 or less. Rule 3.344(a)
11. Fax Charges	Yes*	Sales	A charge to send a fax is the sale of a telecommunications service. *A charge to receive a fax is taxable only when it originated in Texas. Rule 3.344(d)
12. Xerox Copy Charges	Yes	Sales	A charge for a copy is the sale of tangible personal property.
13. Equipment Rental (example: audio visual equipment)	Yes	Sales and Hotel Occupancy	Hotel pays sales tax at time of purchase. Collect state (not local) hotel tax when provided in conjunction with the rental of a meeting room. Rule 3.162(a)
14. Commissions earned from equipment rentals provided by outside equipment vendor	No	Sales	Commissions paid to the hotel are not taxable.
15. Vending Machine Sales (hotel maintains machine)	Yes	Sales	Hotel is responsible for tax, reported as described in Rule 3.293(g) for vending machines.
16. Vending Commissions (vendor maintains machine)	Yes	Sales	Vendor is responsible for tax, reported as described in Rule 3.293(g) for vending machines.
17. Commissions earned from room service meals provided by leased restaurant	No	Sales	Commissions paid the hotel are not taxable.

18. Lease of Real Property:			
a. Space in hotel lobby	No	Sales	Providing lobby space to a person or organization, such as space for a registration table, is not taxable.
b. Space for restaurant	No	Hotel Occupancy	An individual or business that has the right to use or possess a room in a hotel for at least 30 consecutive days (e.g., one-year lease) is exempt from hotel tax. Rule 3.161(b)
c. Space for gift shop	No	Hotel Occupancy	An individual or business that has the right to use or possess a room in a hotel for at least 30 consecutive days (e.g., one-year lease) is exempt from hotel tax. Rule 3.161(b)
19. Commission on Automatic Teller Machines (ATM's)	No	Sales	Commissions paid to the hotel are not taxable.
Miscellaneous Purchases			
20. Consulting Services	No	Sales	Consulting services are not taxable, unless connected to the sale of a taxable item.
21. General Services	Yes	Sales	Some services are taxable, so individual services need to be specified.
22. Janitorial Services	Yes	Sales	Janitorial services are taxable to the hotel at the time of purchase. Rule 3.356(b)
23. Professional Services	No	Sales	Some services are taxable, so individual services need to be specified.
24. Cleaning Supplies	Yes	Sales	Cleaning supplies are taxable to the hotel at the time of purchase.
25. Pool Maintenance	Yes	Sales	Swimming pool maintenance (e.g., clean, acid wash, chemically clean, balance chemicals, vacuum, etc.) is a taxable real property service. Rule 3.356(b)
26. Security Service	Yes	Sales	Security services are taxable.. Rule 3.333(b)
27. Salvage Sales	Yes	Sales	Taxable to the hotel at time of purchase.
28. Uniforms	Yes	Sales	Taxable to the hotel at time of purchase.
29. Cleaning of Uniforms	Yes	Sales	Taxable to the hotel at time of purchase. Rule 3.310(b)
30. Maintenance Contracts on Hotel Equipment	Yes	Sales	Taxable to the hotel at time of purchase. Rule 3.292(b) & (c)
31. Freight Charges	Yes*	Sales	Freight charges are taxable when connected to the sale of a taxable item. *Charges by a third party to only transport an item are not taxable. Rule 3.303(a) & (b)
32. Lease of Tangible Personal Property for Hotel Use	Yes	Sales	Normally the lease of tangible personal property is taxable, but individual items need to be specified.